Air Resources Board

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November 24, 2010

United States Environmental Protection Agency
1200 Pennsylvania Avenue, NW
Washington, DC 20460

Subject: Docket ID No. EPA-HQ-OAR-2009-0865

To Whom It May Concern:

This letter is to provide comments on the United States Environmental Protection Agency (EPA) and National Traffic Highway Safety Administration (NHTSA) proposed Fuel Economy and Environmental Comparison Label. As Executive Officer of the California Air Resources Board (ARB), I am happy to provide comments.

First, ARB would like to commend you on a very innovative and thoughtful proposal. We understand that the label must address the changing landscape of vehicle technologies available now, and coming to market in the future, in a way that is clear and understandable to consumers to encourage them to purchase the most efficient and environmentally friendly vehicles that meet their needs. We recognize this is no easy task, and we hope that our comments help EPA and NHTSA refine the new label.

In 2005, Assembly Bill 1229 (AB 1229) was signed into law requiring ARB to adopt a vehicle label that included greenhouse gas emissions in addition to the smog emissions already required to be displayed on vehicles sold in California. In 2007, ARB approved the Environmental Performance (EP) Label for all cars sold in California that were produced after January 1, 2009. This label includes both a Global Warming Score and Smog Score from 1 to 10 with 10 being cleanest.

ARB believes that the EP Label is a good tool for consumers who want to consider the environment in their vehicle purchase decision and that having more than one label with this type of information could be confusing. Thus, our goal is to adopt the National Fuel Economy and Environmental Comparison Label as a replacement to ARB's EP Label while meeting our AB 1229 obligations.

Consumers have more choices now than ever when it comes to clean vehicle technologies and fuel, with even more to come. Providing consumers with accurate, consistent and meaningful information will help them see that considering a vehicle's impact on air quality, climate change and energy security can be done without sacrifice and sometimes can even help save them money. Therefore, we hope this can be done with the new National Fuel Economy Label.

Thank you for the opportunity to comment. You have done a great job taking many complex technologies and fuels into consideration and tackling the complex issues that go along with these advanced technology vehicles. Enclosed are ARB's specific comments on the draft Fuel Economy and Environmental Comparison Label. We look forward to continuing to work with you on this effort. If you have any questions about our comments, please feel free to call me at (916) 445-4383 or Mr. Tom Cackette, Chief Deputy Executive Officer, at (916) 322-2892.

Sincerely,

James N. Goldstene
Executive Officer

Enclosure

cc: See next page.

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Attachment
Comments on United States Environmental Protection Agency (EPA) and National Highway Traffic Safety Administration (NHTSA)
Fuel Economy and Environmental Comparison Label

Below are our comments on the new Fuel Economy and Environmental Comparison Label. We start with some key comments that are the most important to us and then continue with more detailed comments about the new labels.

Key Comments

1) As mentioned in the cover letter, the Air Resources Board would like to move to one environmental label for consumers to consider when purchasing a new car. AB 1229 requires that upstream emissions are included in the greenhouse gas information provided on the label. Having this information reflected on the label is necessary in order for us to adopt the national label in California. One suggested solution, should EPA and NHTSA decide not to include upstream emissions on the label nationally, would be to set aside a blank space for automakers to include upstream emissions for California. This may be a workable compromise that would allow us to adopt the National Label.
2) ARB also suggests including a statement that identifies motor vehicle usage as a primary cause of global warming and how emissions of those gases from motor vehicles may be reduced. On the Environmental Performance Label, ARB states that "Vehicle emissions are a primary contributor to global warming and smog." If the national label includes a space for upstream emissions, ARB may be able to include this statement there, or you could add this to the text at the bottom of the label.
3) We strongly support rating cars and trucks on an absolute scale. This gives consumers a straight forward way to compare all cars and trucks to one another no matter what type or size vehicle they are considering. This is also consistent with California's label and therefore important to us as we consider adopting the National Label.
4) We recommend that you incorporate the five year fuel cost/savings into the final label design in a way that is very visible to consumers. We believe it will help consumers considering an advanced technology vehicle with a higher price tag see that this higher price could be offset with lower fuel costs. It also alleviates the problem of the miles per gallon illusion since it lays out the cost or savings of the car right on the label.
5) While we believe fuel consumption is a more accurate way for consumers to compare vehicles, if consumers don't understand the information, it is meaningless. It also adds more numbers and units to an already crowded label. We believe that the five year cost/savings provides consumers with the same type of information, but in a way that they can understand and use in their purchasing decision.

6) We believe that the term "other pollutants" does not inform consumers about the type of pollutants included on that scale. It would be more informative to specifically state that they are smog-related emissions and that it is a score rather than an absolute number.
7) We recommend that you develop a label for hydrogen fuel cell vehicles during this rulemaking process. Hydrogen fuel cell vehicles are already certified in California and will be coming in greater numbers by mid-decade.

Design/General

1) Regarding the overall design of any label you develop, as you found in your focus group research, keep it simple. Right now there is a lot of information on all of the different label designs. It may be worth reexamining what really needs to be there and what consumers really care about.
2) We suggest that the information you provide on the label be consistently laid out so that the same information can be found in the same location on the label no matter what type of vehicle you are looking at.
3) In order to de-clutter the label, we suggest you consider removing duplicate information. For instance, on Label 1, CO_2 grams per mile (g/mile) are provided both in the table of information and as part of the greenhouse gas rating scale. It may be worth removing it from the table since the information is also on the rating scale below.
4) Although we support using the gasoline template for conventional hybrids, we recommend that you identify the vehicle as a hybrid on the label. This will help consumers distinguish these vehicles from other conventional gas cars.
5) We suggest that you do not use the 5-star rating in Label 3. It may be confusing with other star ratings and it does not provide a large enough range to really compare vehicles.
6) Finally, as you already know, public education will be a key element to rolling out these new labels. There is a lot of great information on these labels, and consumers need to understand how to use this information as they make their purchase decision. YouTube videos, information in dealerships, updating the fueleconomy.gov web site are all ideas that may help educate and inform consumers so that they use this information in their purchasing decision.
7) We like the smart phone feature that allows consumers to access vehicle information using their smart phones while shopping on dealer's lots.

Conventional Gasoline, Diesel and Hybrid Vehicles

Fuel Economy Performance

1) If consumers are trying to compare cars across different technology types, we suggest that the fuel economy information be consistent between all labels. We support using MPG_e for this reason. However, it appears that some vehicle technologies, such as gasoline, show both a city and highway MPG whereas some of the plug-in electric vehicle labels only show combined. If city and highway values are less meaningful for plug-in hybrid and electric vehicles, perhaps this is the time to eliminate the city and highway numbers on all of the labels.

Greenhouse Gas Performance

1) We recommend that you include all greenhouse gas pollutants in a vehicle's total greenhouse gas emissions.
2) We recommend including air conditioning (A/C) credits as part of a vehicle's greenhouse gas emissions. This may give manufacturers more incentive to use advanced A/C systems on their vehicles.

Fuel Economy and Greenhouse Gas Ratings

1) We recommend using a different scale for rating a car's greenhouse gas emissions. We believe it may be confusing for consumers to see two different scales on the label - one that uses a "score" for "other pollutants" and one that uses an absolute value for greenhouse gas emissions. We found from our focus group research that consistent scales with the same rating system and value for best and worst are easier for consumers to understand. Therefore we recommend moving away from the absolute number on the greenhouse gas scale and moving toward a 1-10 rating similar to the scale used for "other pollutants." This would also avoid having to put 0 grams per mile of greenhouse gases for plug-in electric and fuel cell vehicles.
2) Although we think that the letter grade proposed in Label 1 is very innovative and eye catching, the bottom part of this the label is cluttered. As mentioned above, any duplicate numbers should be removed and only presented once. Also, as mentioned above, the information should be consistently placed on the label. If not for all technologies then at least within similar technologies. This is most important with plug-in hybrids. No matter what type of plug-in vehicle it is, the information on the labels should be consistently placed.

Smartway

1) We like the idea of a Smartway logo on the label to identify the cleanest cars available. We think consumers would respond well to this idea and it would allow those consumers interested in considering the environment in their purchase decision to have a tool to easily do so. However, before we support this concept, we would be interested in seeing the criteria for determining what cars would get this identifier.

2) If you do implement the Smartway logo, we recommend it be a required element of the new label, not voluntary. Without consistency, it loses its meaning and impact.

Range of Fuel Economy of Comparable Vehicles

1) We prefer the graphical representation of the range of fuel economy of comparable vehicles as shown in Label 2 over having this information in the text. We believe the information is useful and helps consumers see where the car they are considering compares to similar vehicles.

Other Label Text

1) We do not recommend launching a new web site specifically for this new label. As you state in the NPRM, www.fueleconomy.gov received 30 million hits in 2008. This is a significant number of hits showing that a lot of people use this site for fuel economy related information. In addition, we have found from our own research that people trust a dot gov over a dot com for this type of information. We suggest making fueleconomy.gov the one-stop shop for all label related information as well as providing the tools and resources consumers need to find the cleanest, most efficient car to meet their needs.
2) The Fuel Economy Guide is a great resource with a lot of good information, but we agree it may be more useful to also include or have available a checklist that lays out in a simple format what consumers should consider when buying a new car or, as stated in the NPRM, a list of the top ten points on fuel economy or a sort of "cheat" sheet on the new label with this top ten list.
3) With so many people doing research on the internet, a hard copy version of the fuel economy guide seems redundant and a waste of resources. The vehicle information in the guide is much better served as an online tool. We support replacing the guide with something shorter and more interesting that dealers can easily have on site to hand out to consumers as they are looking at cars and asking about the new label.

Advanced Technology Vehicles

1) As consumers begin seeing new technologies hit the dealer lots, we believe it would be helpful if the technology type were more prominently represented on the label.

Plug-In Hybrids (PHEV)

1) For plug-in hybrids we support showing performance information about each individual operating mode as you do in your proposal. However, we also support making the combined fuel economy based on the average driver more visible to consumers. This number provides a single, bottom-line value for comparing a plug-in hybrid to other vehicle types. We also support using SAE guidance for determining the combined fuel economy for the "average driver."

2) We recognize that there are several different configurations possible for PHEVs, but the information on the labels should be consistent between the different types.
3) We suggest that the label for all PHEVs have a space for all electric range whether it is zero or 50. This is a piece of information we believe consumers will be looking for when considering a PHEV.
4) We suggest that the technology description for PHEVs should be Plug-In Hybrid Electric Vehicle and not Dual Fuel Vehicle: Gasoline and Electricity. This Dual Fuel title could very easily be confused with the conventional hybrids on the road today that are often referred to as gas-electric hybrids.
5) Some Labels use the term Annual Fuel Cost while others say Cost per Year. We recommend only using one of these terms.

Key Advanced Technology Vehicle Label Issues

Driving Range Information (including 5-cycle adjustment)

1) We believe that the graphic on Label 2 showing driving range for EVs and PHEVs misrepresents this information. The driving range that appears on the far right can be misinterpreted as the maximum range for all EVs. We recommend you eliminate this graphic all together and just represent range as a number as you do in Label 3.

Battery Charging Time Information

1) We suggest that you do not include charging time on the labels. This information varies greatly between vehicles depending on the size of the battery and the type of charging used (i.e., level 1, 2 or 3). We believe this information should be provided to consumers by the individual manufacturers.

Labels for Other Vehicle/Fuel Technologies

Flexible Fuel Vehicles

1) We suggest that for Flex Fuel Vehicles (FFV) you include the values for both gasoline and ethanol similar to what you do for plug-in hybrids. This would allow consumers to easily recognize a vehicle as an FFV and it would provide important information for both fuels.
2) Please consider developing an icon for FFVs with a smaller gasoline tank and an icon for ethanol. This may help consumers recognize that the car they are buying can run on both gas and ethanol.

Compressed Natural Gas Vehicles

1) We recommend that you add the vehicle's range to the compressed natural gas (CNG) label.
2) We suggest that you remove the gas pump from the CNG label and only include an icon for CNG. The gas pump may cause consumers to believe the car can run on both gas and CNG.